Thought Leadership Network

Proving our value

A framework for measuring the effectiveness of thought leadership campaigns



FT FINANCIAL TIMES

Longitude

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01

Measuring up

Recent years have seen thought leadership become an increasingly important part of the marketing mix. But, although companies now spend a sizable proportion of their budget on this activity, few have a clear sense of the value they are getting from their investment.

In our experience, most marketers dread being asked to quantify the impact that thought leadership has on the business. They know instinctively that it is working and generating returns, but proving this to finance colleagues and business leaders remains challenging. As a result, many will gravitate towards metrics that are easy to quantify, rather than those that matter the most.

The Thought Leadership Network, a new membership organisation for B2B content practitioners, was established with a clear remit to help address some of the issues that the industry is facing.

We chose measuring the value of content as the theme for our inaugural report because we know that it is one of the biggest challenges marketers face today.

In our view, we urgently need a better framework for understanding the value that thought leadership brings to the business. This report – while it doesn't pretend to have all the answers to this problem – is intended to be a first step towards a more systematic way of addressing the measurement issue. We hope you find it a valuable source of information and inspiration in your role.

The problem

Thought leadership has been part of the marketing mix for several decades, so why do marketers still struggle to measure its effectiveness? In our conversations with clients, we hear the same issues again and again:

01

Alignment challenges

Often, each group of stakeholders within a business has different expectations for thought leadership. The same project is expected to do everything from generating press coverage and building the brand to sourcing new sales leads.

Unless stakeholder groups can agree about the goals of thought leadership and the metrics by which it will be judged, every campaign will be pulled in multiple competing directions and fail to achieve any of its objectives.

02

Long-term versus short-term goals

The real value of thought leadership usually takes a while to materialise, because one of its primary functions is to strengthen the brand and build awareness. But it is not easy to demonstrate these long-term effects. According to the CMO Survey from Duke University and Deloitte,[1] only 42% of marketing leaders say that they can quantitatively prove the long-term impact of marketing spend.

Long-term objectives need to be balanced with shorter-term goals, but the two timeframes are often out of kilter. Only 52% of advertisers in a Kantar study are confident that their organisation has the right balance between short-term performance marketing and long-term brand.[2]

The problem we see most often is too much emphasis on shorter-term goals, which means that the longer-term benefits get downplayed. Digital marketing has made this problem worse because the data it provides, such as downloads, dwell times, open rates and bounce rates, are inherently short term. As a result, the more immediate metrics tend to crowd out the longer-term benefits – and the rationale for creating thought leadership in the first place gets obscured.

03

Isolating impact on commercial or brand success

It is difficult to prove the contribution of thought leadership to establishing a new client relationship. Yes, we can show that a new prospect came from a lead-capture form, or that a meeting came about as a direct result of sharing content with a new prospect. But figuring out how much of the ultimate success can be attributed to the power of the content – instead of the skill of the salesperson, say, or the quality of the product – is another matter. This is particularly challenging when B2B sales cycles are measured in years, rather than months.

The same is true with the brand: thought leadership can help to strengthen brand equity, but isolating its direct contribution is notoriously difficult.

04

Getting hold of the right data

Few marketers complain about having a shortage of data. The problem is that the data is not always in the right place, in the right format or in the hands of the right people at the right time. Global sales teams may have inconsistent approaches to recording customer information or use multiple instances of a CRM system, and there may be organisational barriers to sharing data between teams and geographies.

Having access to the right data requires alignment across the business, PR and marketing teams, the ability to navigate complex organisational structures, consistent methods of collecting data, and a culture of collaboration and cooperation.

Only

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of marketing leaders say that they can quantitatively prove the long-term impact of marketing spend.[1]

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of advertisers in a Kantar study are confident that their organisation has the right balance between short-term performance marketing and long-term brand-building.[2]

The way forward

The purpose of this report is to put forward a conceptual framework and a series of principles that show how to demonstrate the value of thought leadership campaigns.

It is not intended to be a silver bullet – if this problem were easy to solve, it would have been addressed a long time ago. So this report is the start of a conversation, rather than the final word on the matter.

Marketing professionals are under growing pressure to demonstrate a tangible financial return from their marketing activities, so the importance of understanding the value of thought leadership has never been greater.

And yet, in our conversations with clients, we see time and again that this is an aspect of thought leadership that is not given sufficient attention. Surely we owe it to ourselves, as thought leadership practitioners on both the agency side and the client side, to have a more systematic approach to measuring the impact and value of what we do.

Only with a robust approach to measurement can marketers demonstrate the real value of their work. It is essential to show that thought leadership is not a vanity project or nice-to-have – and that can only be achieved with a strong foundation of measurement that proves its value.

1. www2.deloitte.com/us/en/pages/chief-marketing-officer/articles/cmo-survey.html
2. https://www.millwardbrown.com/gettingmediaright/2019

02

Our framework

The measurement of thought leadership effectiveness relies on having a clear framework to guide the discussion. This is not about establishing hard-and-fast rules and a one-size-fits-all model. The objectives of thought leadership campaigns differ, and the metrics chosen to evaluate their success must flex to accommodate these diverse goals.

But despite this variety, we believe that there are three key categories that should form the basis of any measurement model. A selection of metrics that span these three areas is critical in order to gain a rounded view of effectiveness. We explore these categories in detail in the following pages.

It is also essential to choose metrics carefully across these three categories. Many marketers make the mistake of choosing too many KPIs to track. This can present a confusing picture in which there is insufficient clarity about which metrics matter the most. Senior stakeholders can feel bombarded with KPIs and it becomes difficult for them to separate pertinent metrics from those which have been chosen to flatter.

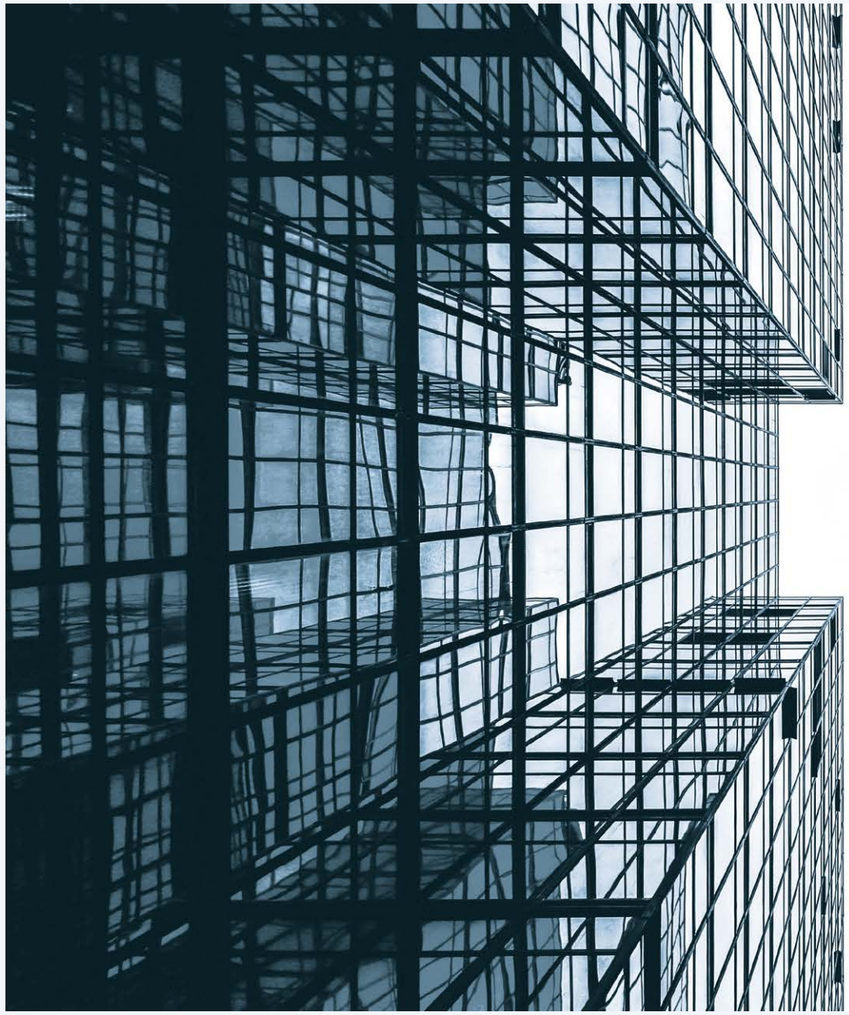
Aligning with the business model

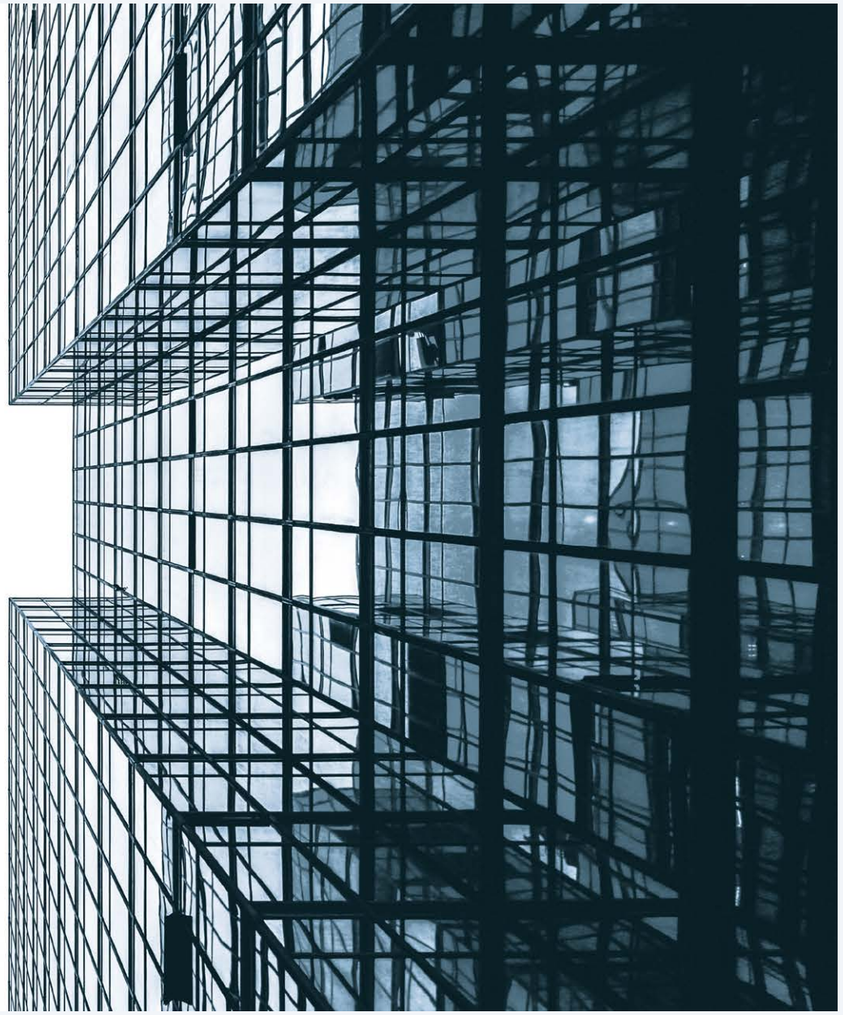
There is no single, universal set of metrics for measuring the impact of thought leadership, because each campaign is highly context-specific.

The metrics chosen must be aligned with the overall business objectives, and each campaign will differ: some will be focused on building awareness or new associations between themes and the brand; others will be more geared towards fostering customer loyalty and reinforcing existing relationships.

Proving the link between thought leadership metrics and commercial outcomes also depends on your business model.

When purchases are made online and sales cycles are short, it is relatively easy to plot the customer journey and show how a piece of content contributed to moving a buyer through the marketing funnel. But, in sectors where sales cycles are longer and selling is consultative, it is much more difficult, because the link is less direct. Metrics that make sense for online purchases, such as cost per acquisition and conversion rates, are much fuzzier in complex business models because timeframes are typically longer and there are so many factors besides content that influence sales.





Some companies try to put a financial value on thought leadership's contribution to revenues, but there are good reasons why this is a mistake:

- Attribution models are complex and there are numerous choices – from first-touch and last-touch to myriad multi-touch models.
- There is no real consensus around which attribution model is the right one to apply, and every model has its flaws.
- There are just too many variables to consider and too many touchpoints to measure.

As a result, financial value attribution is easily challenged, which undermines its validity among senior business leaders.

ROI: A dangerous distraction

Return on investment (ROI) is considered to be a key metric for assessing the value of thought leadership campaigns, but it is an extremely blunt tool and could be misleading. Instead, it should be seen as an "intermediate measure";[3] after all, ROI is typically used to measure the impact of capital projects – not more intangible activities such as marketing.

The author and marketing consultant Peter Field goes further. He says that ROI is a dangerous metric in marketing because it fosters short-termism and a focus on quick wins, such as selling to existing customers.

"The easiest way to maximise return on investment is to minimise investment," he says. "If you pursue ROI as the primary measure of success, what it leads to is a focus on the low-hanging fruit in the market.

"Long-term growth requires us to be bringing new customers into our brand and to be growing penetration. And that's the very opposite of low-hanging fruit. That is the fruit, in the sense, at the very top of the tree, and we have to be reaching for that."

3. effworks.co.uk/wp-content/uploads/2018/10/Measurement-Strategy-White-Paper.pdf

A composite model

The measurement of thought leadership effectiveness relies on building layers of KPIs; there is no single number that, on its own, will prove its value. The goal is to gather a range of evidence and proof points, over a relatively long timeframe, and demonstrate how thought leadership interacts with other marketing touchpoints, such as events and advertising. Treat each piece of evidence like a jigsaw puzzle piece that, when brought together with others, creates a coherent, composite picture.

Use qualitative and quantitative metrics from three main categories: alignment; engagement; and influence and impact. Companies often focus too much on engagement, which is natural, because those are the metrics that are much easier to track. In our view, however, these should be less of a focus because they do not easily map to commercial and marketing outcomes.

As a rough guide, we would advise putting about 40% of your effort into alignment, 20% into engagement and 40% into influence and impact. This reflects the relative importance of each category in securing successful outcomes. So what do we mean by alignment, engagement, and influence and impact in terms of thought leadership metrics?

"If we can demonstrate a clear line of sight between themes covered in thought leadership through to selling a solution and then to helping the client improve their business, then that is the best way of demonstrating our value."

Laura Bishop
Managing Director – Marketing and Communications, Financial Services at Accenture

01

Alignment

Everything starts here. Alignment is the foundation for any campaign; without it, success is impossible. It is all about ensuring that there is buy-in from every relevant function in the business, as well as agreement about the overall goals. Strong alignment means that instead of being seen as a discrete marketing activity, thought leadership is woven into the fabric of the company's business practice.

02

Engagement

Engagement metrics are useful as a guide and for benchmarking purposes. However, business leaders and finance teams are likely to glaze over when they get reports stuffed full of engagement metrics because they are a weak indicator of wider impact. That said, campaigns that are strongly skewed towards building awareness, for example, should have an emphasis on earned KPIs such as quality press coverage. If you are using engagement metrics, it is important to ensure that they span paid, earned, shared and owned channels. For more on this, see the Barcelona Principles[4] and Integrated Evaluation Framework from AMEC.[5]

03

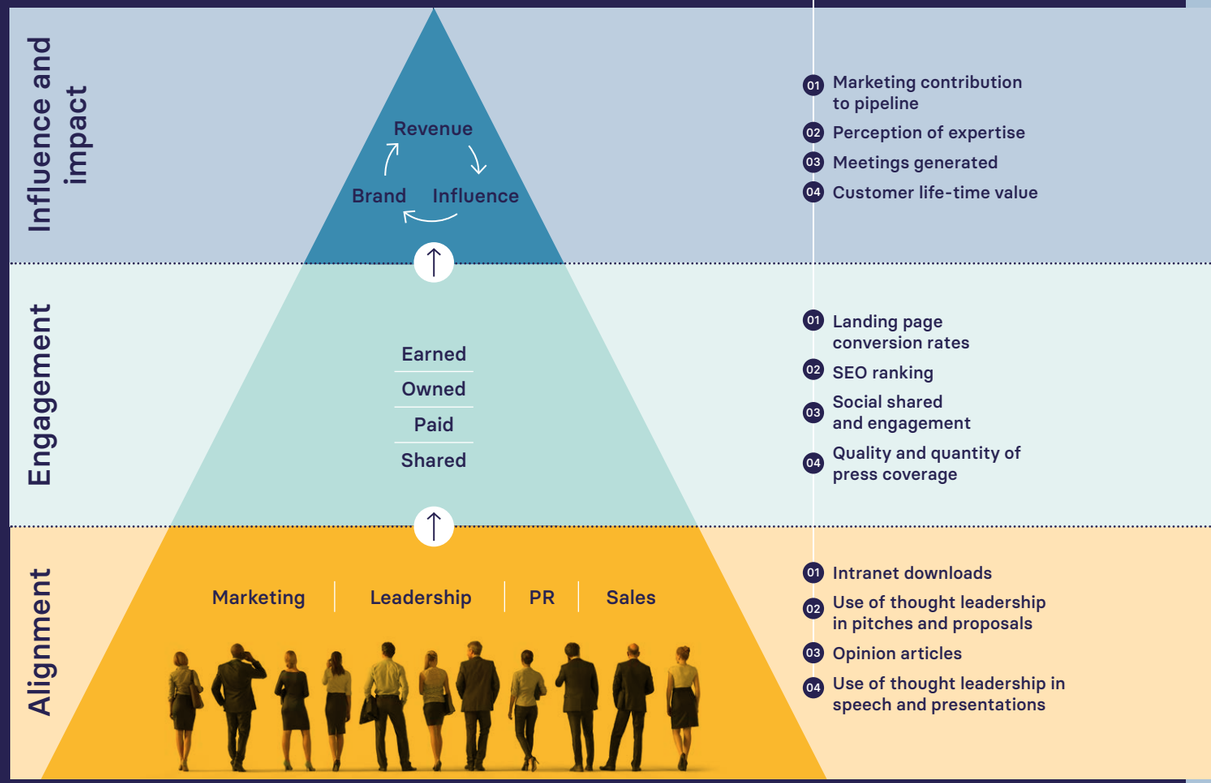
Influence and impact

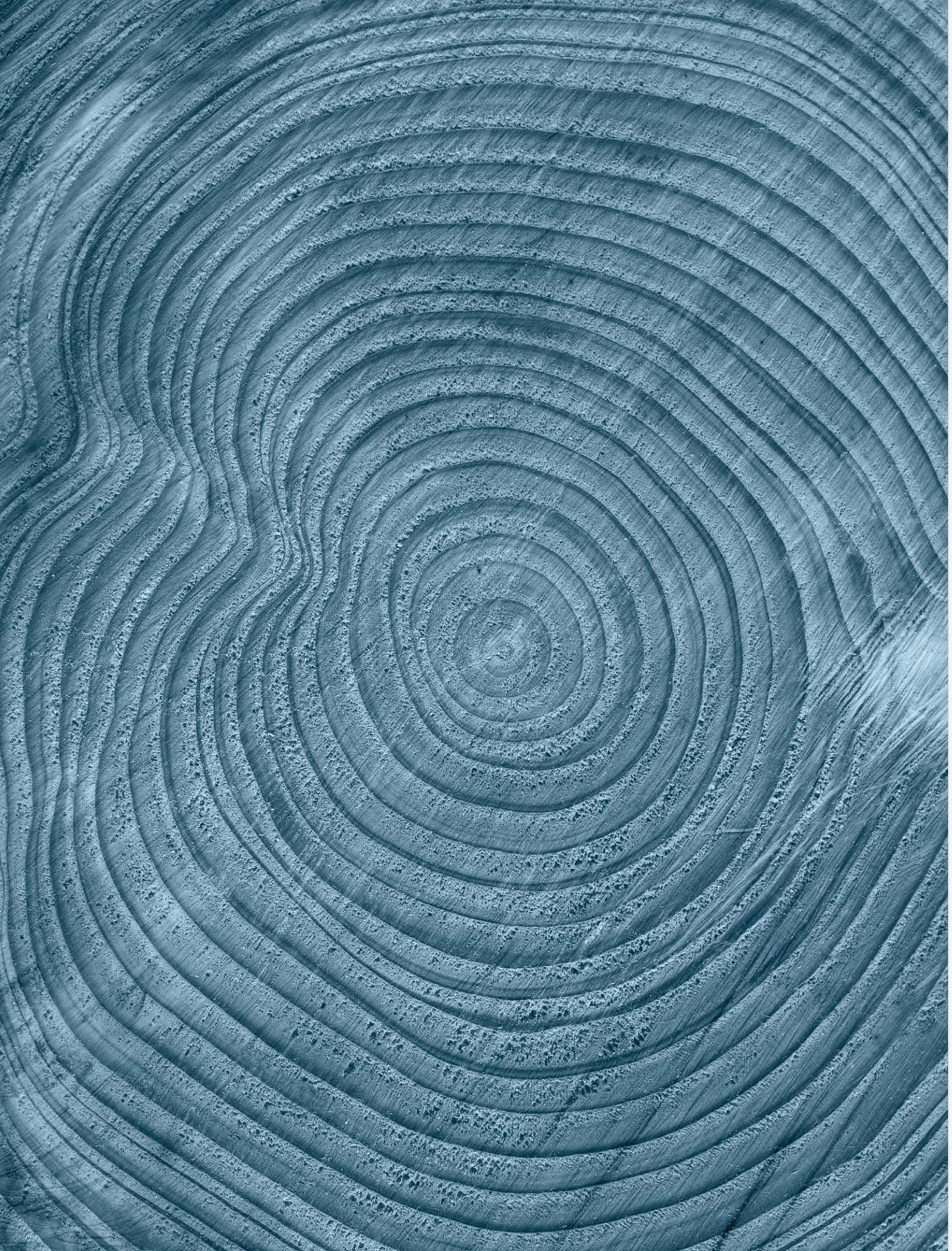
This is the most important measure of a campaign's value, encompassing influence, brand equity (which could be either corporate or personal) and commercial benefit. These are closely intertwined and should not be seen as separate goals: brand equity should reinforce commercial outcomes; and commercial outcomes, such as customer retention, should reinforce brand equity. Influence, meanwhile, which refers to changing the audience's thinking or behaviour through thought leadership, is a driver of both commercial benefit and brand equity. Influence and impact might be the most important category, but it is also the most difficult to measure. Choose your metrics wisely, ensuring that they are aligned with wider business objectives, and avoid being overambitious. Where possible, look for KPIs where there is a demonstrable link between content and outcome.

4. amecorg.com/barcelona-principles-2-0
5. amecorg.com/amecframework

The three-tier effectiveness model

This framework outlines the three components that form part of an effectiveness measurement model for thought leadership. We also include sample metrics (although more can be found on page 15.)





Metrics that matter

There are dozens of metrics that could in theory be tracked against a thought leadership project, but many have an indirect link at best with business outcomes and it can be difficult to demonstrate cause and effect.

Here, we list some of the metrics that we find most valuable. Remember that these are jigsaw pieces – they will only give you the full picture of your thought leadership's value once they are combined.

These metrics need to be tracked and constantly benchmarked.
This may be difficult against competitors, but it can be done either longitudinally or across similar studies within your organisation.

01

Alignment metrics

Intranet downloads/ requests for content

Are colleagues engaging with content and wanting to take it to clients and prospects? The number of intranet downloads of requests for content, benchmarked against similar publications in your business, will give you a good indication.

Use of thought leadership in pitches and proposals

Thought leadership needs to be embedded in the DNA of the business. If salespeople are using content in their sales materials, that's a good sign that it is being adopted and starting conversations organisation-wide.

Opinion articles

When senior leaders cite thought leadership or write opinion pieces based on it, it tells you that your campaign is gaining traction at the highest level.

Use of materials in speeches and conferences

If thought leadership is finding its way into speeches, media appearances and conferences, that's more evidence that it is aligned with the wider organisation's needs.

02

Engagement metrics

Landing-page conversion rates

If audiences are willing to give up their contact details in return for your content, then you know it has value – and, crucially, that your landing pages are optimised for conversion.

SEO ranking

A high organic SEO ranking for your campaign is a strong indication that it is asking and answering the right questions. Bear in mind, however, that truly original thought leadership may have a lower SEO ranking because fewer people are asking questions about such a new topic.

Social shares and engagement

Strong engagement on social media indicates that your thought leadership contains ideas that matter. Comments – even if they disagree with you – suggest that you have something worth saying.

Quality and quantity of press coverage

AMEC's Barcelona Principles[6] are a valuable guide for tracking PR effectiveness. Remember that quality and quantity are both key, and avoid advertising value equivalent (AVE), which is now discredited as a metric.

03

Influence and impact

Marketing contribution to pipeline/marketing qualified leads

It may be difficult to prove a direct link between thought leadership and sales, but contribution to the pipeline is more direct because the role of marketing in achieving this is more easily demonstrated.

Perception of expertise

Is your company recognised as a thought leader in brand surveys?
Is there a clear relationship between exposure to your content and perception of expertise?

Customer lifetime value (CLV)

CLV is often downplayed in the marketing funnel, where the focus is on new customers rather than repeat ones, but thought leadership should do more than win new business; it should also encourage customer loyalty and repeat business.

Meetings generated

Thought leadership provides a great hook for conversations with clients and prospects and prompts meetings that would not otherwise have happened.

Profitability

Investing in thought leadership should enhance your pricing power and increase price elasticity. So look for evidence of this, but be cautious about placing too much emphasis on it.

6. amecorg.com/barcelona-principles-2-0

03

The six principles

There can be no hard-and-fast rules governing how to measure the effectiveness of thought leadership campaigns because their objectives are too varied. But we believe that there are six principles of effective measurement that are relevant in most cases. When applied, these can significantly help to ensure a more robust approach to demonstrating the success of thought leadership.

01 **It starts with alignment**

02 **Thought leadership objectives must link to business objectives**

03 **Quality of thinking alone won't get results (but don't expect to have an impact without it)**

04 **'Intermediate' engagement metrics will not stand up to scrutiny**

05 **Keep reputation-building and sales activation in balance across the portfolio**

06 **Feedback should be qualitative and anecdotal – not just quantitative**

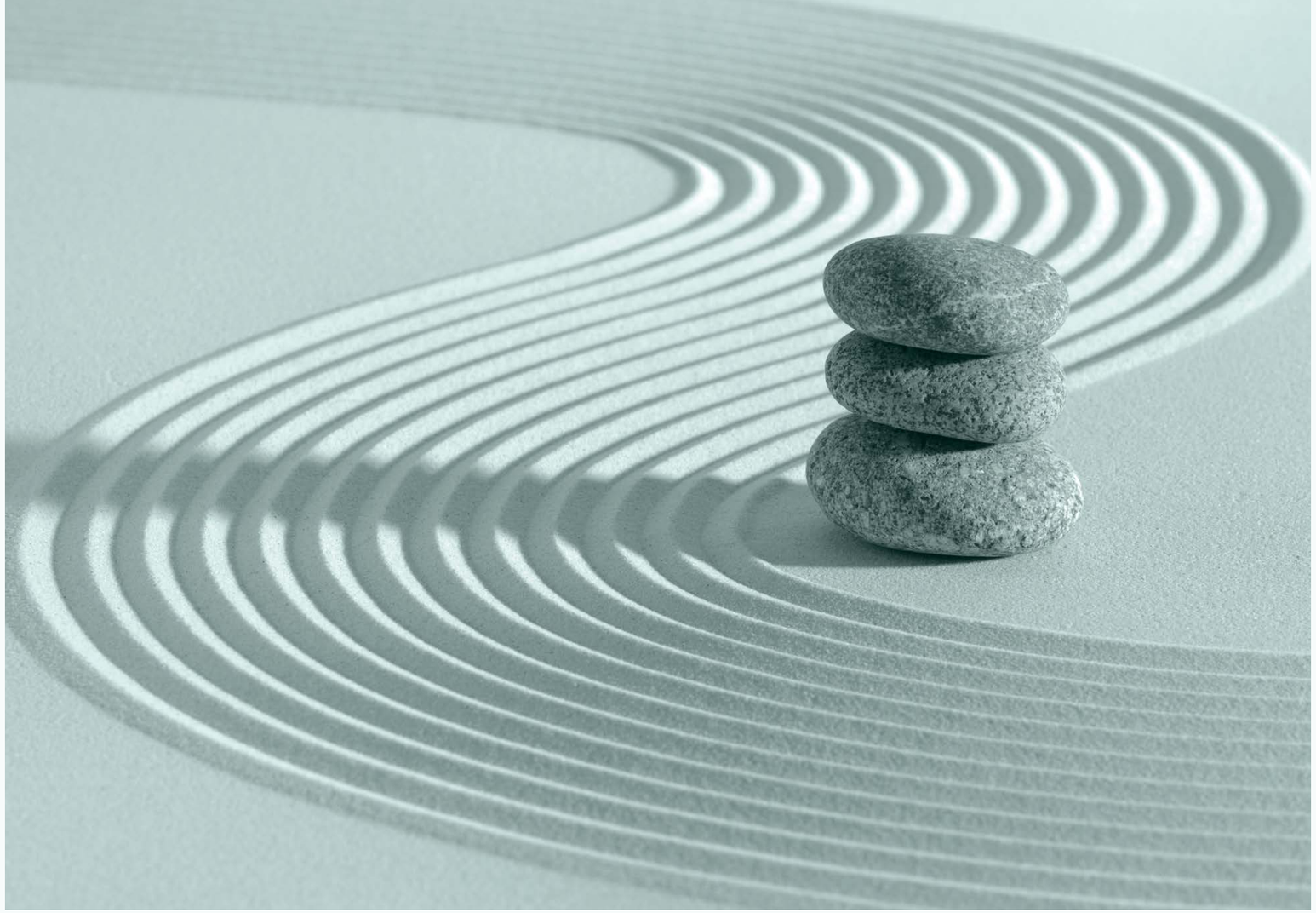
01

It starts with alignment

Forget engagement metrics, brand recall or revenue conversations – it is organisational alignment that will determine thought leadership success more than anything else. It may not be easy to get agreement across the leadership team and between marketing, sales and communication, but it is vital: if there is no clear consensus on a campaign's goals, then it will be pulled in too many different directions and lose its focus.

Alignment must start at the very earliest stages, because stakeholders are much more likely to support your campaign if they feel like they have played a part in shaping it.

That means fully integrating thought leadership into the DNA of the business – it must not be seen as a discrete marketing activity. Achieving this requires the full support of a leadership team that recognises the power of marketing to drive long-term growth and profitability. Marketers who are disempowered and not closely linked with senior management will struggle to get their initiatives off the ground.



"Making sure that people across the business are aware of what we do helps to drive enthusiasm for our content. They want to see us being recognised and talked about in the media, in policy circles and among other stakeholders. You can't underestimate the value of that."

Paul Lockstone
Managing Director for Corporate Communications at Barclays



90%
of digital marketers make optimisation decisions within a month

Align on goals, diverge on roles

Ensuring that there is alignment across different stakeholders takes place at two levels: everyone must first agree on the overall direction of the campaign but the tactics that each team uses in their role, and how they are measured individually, may differ.

"Big picture alignment is vital, but on a more functional level people may be focusing on slightly different things," says Jenni Romaniuk, Research Professor at the Ehrenberg-Bass Institute. "If you think about a ship, the crew have all got to make sure we arrive at the destination, but people have different roles – from the captain to the kitchen staff – and how you measure the effectiveness of those teams will differ."

Stakeholders also need to agree on the metrics they will use to determine success, establishing a sensible timeframe for measuring effectiveness and striking a balance between short-term and long-term metrics. Very often, there is a mismatch here. According to one report, 90% of digital marketers make optimisation decisions within a month, even though sales cycles and the ideal timeframe for measuring campaign effectiveness are typically much longer.[7]

7. business.linkedin.com/content/dam/me/business/en-us/amp/marketing-solutions/images/marketing-roi/pdf/The_Long_and_Short_of_ROI.pdf

The alignment checklist

- ☑ Does your campaign align with your business's overall objectives?
- ☑ Are there agreed KPIs for tracking its success?
- ☑ Can you link those metrics directly to the business objectives?
- ☑ Do you have buy-in from the leadership team and is it willing to get involved?
- ☑ Are you sure that your campaign does not overlap – or worse, conflict – with initiatives elsewhere in the business?
- ☑ Does your campaign enable a clear customer journey through the entire marketing funnel?
- ☑ Is the sales team primed to take the campaign to market and does it have the necessary assets, training and messaging?
- ☑ Do the messages that are likely to emerge from the campaign align with broader communications/PR messaging and goals?
- ☑ Is your internal communications team primed to build internal awareness for your campaign and distribute the necessary assets?
- ☑ Are you in a position to collect consistent data from sales, PR and other teams in order to assess your campaign's effectiveness?

02

Thought leadership objectives must link to business objectives

For your thought leadership to secure long-term investment and be recognised as a strategic marketing imperative, it has to be linked to your overall business objectives.

You can start by looking at thought leadership at the individual campaign level to check that it clearly supports your goals. But don't forget to take a broader view, too: look at your content at the portfolio level to check that the overall mix of campaigns is aligned with the business strategy. While some campaigns may be geared towards supporting the company's push into new business areas, sectors or markets, others may be more focused on maintaining customer loyalty and market share. See 'The three categories of thought leadership campaigns' for more on this.

Be careful, also, not to view your thought leadership in isolation. It needs to be integrated with a wider suite of marketing activities that work together in order to achieve the overall business goals.

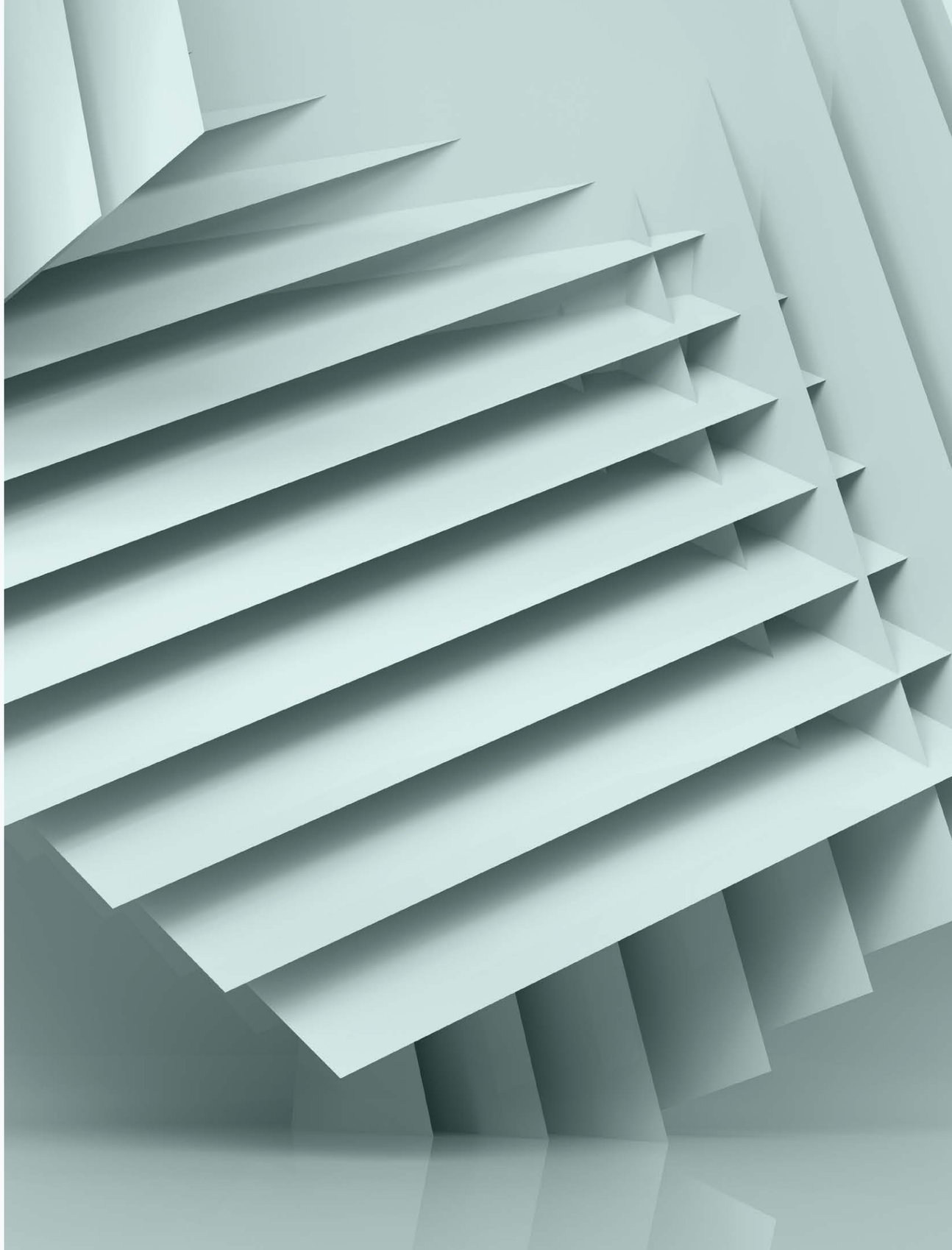
"In B2B, we are selling big, complex deals and that means there are hundreds or even thousands of touchpoints where many diverse people come into contact with our brand," says John Williams, Marketing Director and CMO, EMEA and APAC for Verizon. "It could be thought leadership, events, digital or an in-person meeting – all of this comes together to convince the buyer that we are the right provider. It's all about layering and using an integrated set of activities at different times and through different channels, of which thought leadership is one tactic."

Reach or relevance?

Your objectives for thought leadership campaigns will depend on the context. With some, you'll want to reach as wide an audience as possible; with others, you'll be focused on a very small target group – sometimes even down to a single account.

"There's always a balance between reach and relevance," says Lucia Rahilly, Global Editorial Director at McKinsey. "Some content has broad appeal and is top of the funnel, and for that, traffic is a relevant metric. But, with certain practices and teams, which have narrower target groups, broad traffic is irrelevant. If we write a piece on agile or blockchain, we know we'll get lots of traffic. But if we write a piece on a narrower sector, that could get much less traffic but have a huge impact on the client audience."

> **"Thought leadership is all about redirecting the prospect or client's attention to the unknown need, and then giving them deep content on that unknown need to the point where they have this 'A-ha!' moment about their business that the other vendors never gave them."**
>
> **Andy Crestodina**
> Co-founder, Orbit Media Studios



The three categories of thought leadership campaigns

It is important to think about thought leadership effectiveness at the portfolio level, not just at the campaign level. This means having a clear view of what each campaign is intended to accomplish, and ensuring that thought leadership output as a whole meets the diverse business needs of the company.

It is too simplistic to think about thought leadership as just a revenue-enhancing tool. Each campaign will have different commercial objectives ranging from building awareness to reinforcing customer loyalty.

In our experience, thought leadership campaigns can be designed to do three things:

01
Reimagine

Pivot the business to a new reality. For example, consider a traditional accountancy firm trying to encourage audiences to think of it as a centre for digital transformation excellence instead of just a firm that is focused on risk and compliance.

02
Renovate

Build on past successes and move into new areas that will attract attention from both new and existing customers. For example, consider a risk management consultancy that is launching a new complementary analytics tool alongside its traditional offering and wants to raise awareness of this as well as its core competencies.

03
Reinforce

Strengthen customer loyalty and retention for existing, mature products and services. For example, consider a technology company with a mature application that wants to maximise chances of renewal and grow market share.

Each of these categories lends itself to different business objectives. Reimagine thought leadership will rarely be expected to generate quick commercial wins, so metrics such as awareness are most valuable here.

Reinforce content, on the other hand, will be much more commercially oriented and focused on metrics like meetings and conversations with clients or upsells. The table on the facing page outlines the differences.

> **"The context around the buyer lifecycle is critical. You need to understand where the customer is on that journey and how you expect them to respond to the content, and that isn't always a sale. Success may be getting your content seen by senior stakeholders and having them think differently about your brand as a result."**
>
> **Elena Hickey Saroli**
> Global Insights Leader, EY

Reimagine, renovate or reinforce? Thought leadership at the portfolio level

	01 Reimagine:	02 Renovate:	03 Reinforce:
Business objective	Pivot the business to a new reality	Build on past successes and attract new clients as well as retaining existing ones	Continue to deliver excellence and retain existing customers
Thought leadership response	– Strong emphasis on brand-building – High-level and future focused – Only tangentially linked to products and services	– Equal emphasis on brand-building and sales activation – 'Burning platform' concept focused on solving problems of today – Line of sight through to products and services, but no overt 'selling'	– Strong emphasis on sales activation and enablement – Targeted outreach – Highly practical, action-oriented content – More direct links to solutions, products and services
Metrics to track	– Awareness – Brand recall – Influence – Social engagement and shares	– Consideration – Meetings – Cross-sells	– SEO ranking – Customer loyalty and advocacy – Repeat purchases – Upsells – Market share – Profitability
Reach/ conversion rates	– High reach/brand – Low conversion	– Medium reach/brand – Medium conversion	– Lower reach/brand – Higher conversion

03

Quality of thinking alone won't get results (but don't expect to have an impact without it)

Original ideas and high-quality thinking are hallmarks of good thought leadership. This highlights the importance of being able to measure the quality of the content that underpins a campaign, in addition to the marketing outcomes.

Original ideas and thinking are at the heart of any thought leadership campaign. Without them, the content is by definition not thought leadership and is doomed to fail. It may be possible to take less original ideas and to get them in front of an audience through smart digital marketing techniques, but the ideas won't have staying power or build a real intellectual or emotional connection with the audience.

The strength of ideas also helps to fuel internal alignment and buy-in. "If your company is advancing ideas in the world which are really novel and exciting, people will want to integrate them into the things they do," says Dex Torricke Barton, Director at Brunswick Group. "The problem is when thought leadership isn't genuinely exciting. People aren't going to care about it and so it will get no traction either internally or externally."

So measuring the quality of your thinking is as important as tracking the brand and marketing outcomes, but how do you measure quality?

> **Thought leadership gets expressed as marketing, but there's a whole iceberg under the surface, which is all about advancing ideas in the world. The biggest thought leaders in an industry don't necessarily think of it primarily as a brand or marketing. It's something that they want to do in the world and is essential to building relationships and shaping agendas."**
>
> **Dex Torricke-Barton**
> Director, Brunswick Group

One option is to use a framework like POETS (see below). This helps to set a bar for the input of editorial quality and strength of ideas. The goal is to produce content that readers are likely to find engaging and valuable, based on a number of underlying metrics that are consistent and repeatable.

But good ideas are not enough on their own. To support sales conversations and ultimately drive higher conversion rates and revenues, thought leadership must also contain insight that helps clients and prospects to solve problems. This kind of commercial insight goes beyond presenting new ideas – instead, it undermines existing thinking and creates urgency to act.[8]

Like any good marketing, thought leadership must build an emotional connection with your audience. This is often forgotten in B2B campaigns. "Generally, the only source of sustainable competitive advantage is the power of your brand," says Peter Field. "And we know that the power of brands is very strongly linked to the ability to engage audiences and to build powerful emotional associations. Anyone who thinks that thought leadership doesn't involve powerful emotional brand associations is frankly barking up the wrong tree."

To determine whether your investment in quality is really paying off, it is vital to look at the outputs, too. By measuring both the quality of the input, and the impact of the output, we can see whether there is evidence of a link between higher-quality content and better outcomes. Does content that scores highly on a framework like POETS help to support wider commercial and brand goals? In our experience, the answer is yes, but it is important for marketers to carry out these tests for themselves.

POETS: Testing quality

Thought leadership specialist Longitude uses a framework called POETS to evaluate the quality of thought leadership:

Purpose

Ensuring audiences gain value and practical insights from your report, articles and digital content.

01 Is the information useful and credible to the target audience?

02 Does it include insights from industry peers and influencers?

03 Is it actionable and of practical use?

Originality

Finding new ways to differentiate and deliver an original perspective in a crowded market

01 Are the core ideas from the piece fresh or new? Is it press worthy?

02 Are the findings and insights memorable?

03 Is there something to differentiate it from other coverage of this theme/topic?

Evidence

Using the latest research techniques to make your arguments more credible and persuasive

01 Are the insights evidence-based, either from surveys, third-party data, or otherwise?

02 Are assertions grounded in facts?

03 Is the data accurate and used in the correct context?

Timeliness

Bringing urgency and topicality to your work, so audiences are compelled to act now

01 Is it clear why we're reporting something now?

02 Does it convey a sense of urgency and excitement?

03 It may be important and interesting, but why is it important and interesting now?

Style

Combining story and structure to create the kind of stories that get people talking

01 Is the piece well written?

02 Does it leave a lasting impression?

03 Is there a clear storyline/ narrative throughout?

04 Are the list of takeaways/ recommendations true to the rest of the content?

8. www.gartner.com/smarterwithgartner/stop-is-this-really-commercial-insight

04

‘Intermediate’ engagement metrics will not stand up to scrutiny

The old adage that you should ‘measure what matters, not what’s easy to measure’ is especially true with thought leadership.

Search for articles about measuring content marketing effectiveness, and you will find dozens focusing on click-through rates, shares, retweets, downloads and bounce rates. But these are, at best, intermediate measures and outputs – they are not outcomes. They might be useful up to a point because they give you an indication that audiences want to engage with your content, but they do very little to tell you about a campaign’s wider impact.

Many commentators argue that click-through rates, in particular, are a very poor way to measure the effectiveness of content campaigns. There has been evidence of this for years. In 2012, for example, Nielsen showed that there is limited correlation between click-through rates and ROI (see chart below).[9] Also see ‘Metrics that flatter to deceive’ for the flaws of other commonly used engagement metrics.

So most engagement metrics – unless they are directly linked to business objectives – tell you little about the effectiveness of your campaign. Just because you can measure something doesn’t mean you should.

> **There is often an inverse relationship between the availability of a metric and its impact on the bottom line.”**
>
> **Andy Crestodina**
> Co-founder, Orbit Media Studios

Correlation between online ad click-through rates and off-line return investment



Source: Nielsen

9. www.nielsen.com/us/en/insights/article/2012/click-thru-rates-mislead-brand-marketers-on-online-campaign-performance

Metrics that flatter to deceive

Website traffic

This can be a vanity metric. Having lots of visitors to your website sounds good, but it is useless if they are not the right visitors and don’t have a commercial interest in what you do. The relevance of traffic is therefore critical.

Bounce rates

This measures the percentage of traffic that leaves your site after looking at just one page. A high bounce rate is seen as an indicator of content that is not engaging. But there are many factors that can affect this, and ‘average’ bounce rates can range from 20% to 70%.[10]

Dwell times

Time on site is generally seen as a good indicator of engagement, but it is highly context-specific. If you have a lot of content to explore, you would expect your dwell times to be higher; if your site is lighter on content they will be lower.

Email open rates

These can easily be distorted and be misleading. A much better metric is click-through rates from email marketing, which at least require action and intent from the recipient.

SEO and social as measures of thought leadership effectiveness

Organic SEO and social performance are widely seen as important indicators of thought leadership effectiveness.

A high ranking on search engines indicates that the content can provide good answers to the questions behind a user’s query – and is therefore providing valuable insight that can solve their business challenges. Strong engagement on social channels, meanwhile, indicates that your content is resonating with audiences and providing fresh thinking.

Yet there are important nuances, and each of our three categories of thought leadership will perform differently on these channels.

Reimagine content is less likely to perform well from a search perspective and more likely to perform on social channels; Reinforce content, on the other hand, will be the opposite because it is geared towards existing challenges instead of future ones (see page 23).

“The most original thought leadership has an SEO disadvantage, because if it’s an idea that no one’s had before, then audiences won’t be searching for it,” says Andy Crestodina. “But the same content will have a big advantage on social because it’s contrarian and so will trigger conversations and shares.”

Garrett Johnson, Assistant Professor of Marketing at Boston University’s Questrom School of Business, points out that SEO analytics provide a valuable guide to where to invest in thought leadership. “By putting this content on your website, you start to get signals back about what your audience is finding more – or less – interesting, and what's more likely to convert or retain customers,” he says. “You can identify what’s successful and reinvest in that content by updating it. That extends the compound value of thought leadership and content marketing, because, for instance, search engines actually value and give you a boost if you're updating your content and providing fresh information.”

10. www.gorocketfuel.com/the-rocket-blog/whats-the-average-bounce-rate-in-google-analytics

05

Keep reputation-building and sales activation in balance across the portfolio

Good thought leadership is never about just brand health or just sales activation. At the portfolio level (but not necessarily at the campaign level), it has to do both. So marketers need to strike the right balance between these two broad objectives across their suite of content.

A portfolio that is skewed towards sales activation may generate short-term benefits, but this is likely to be at the expense of long-term brand health. But focus too much on brand or 'top of the funnel' activity, and you will create a dead end in the customer journey and may not deliver shorter-term commercial outcomes.

"Investing in brand is important and can create an affinity that, over time, will lead to conversion – but there has to be discipline around this," says Questrom School of Business's Professor Johnson. "There's sometimes almost a religious belief that investing in brand will have some kind of pay-off long into the future, but that can lead you astray and cause you to waste a lot of money. You also need the discipline to look at what's happening in the short term and measure that impact."

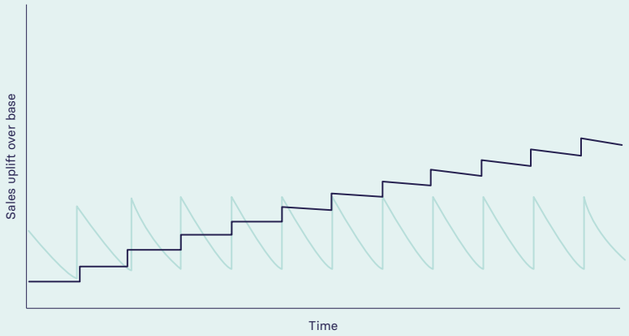
Peter Field and Les Binet argue that the right mix for B2B is to allocate about 46% of budget to brand, and 54% to sales activation.[11] "Businesses have become addicted to the very measurable performance marketing approach," says Field. "If you do something and you very rapidly see a result, the mistake a lot of businesses make is assuming one has led to the other and overlook the fact that performance marketing is massively enhanced by the work they have done on building the brand. You cannot attain any kind of competitive advantage from short-term sales activation alone. That has to come from brand-building."

In recent years, marketing has witnessed a gradual slide towards short-termism. The rise of digital marketing has been a key force for change, leading to ever-shrinking marketing cycles as marketers look for evidence that campaigns are generating results. The temptation has been to focus on what is easy to measure, rather than what matters. And it is easier to gather evidence for the effectiveness of short-term sales activation than evidence for growth in brand health.

This shorter-term focus is detrimental to longer-term sales. As the Binet and Field chart above shows, sales activation tactics can lead to an immediate sales uplift, but this is short-lived and those sales are often discounted. Investing in brand takes longer but building and reinforcing emotional connections with an audience is a more powerful driver of long-term growth and profit.

"With thought leadership, profitability is a more important measure than sales per se," says Janet Hull, Director of Marketing Strategy at the IPA. "Because when people are prepared to pay more for your brand, they're really showing you that they have a commitment to it."

The effects of brand-building and sales activation over time



Sales activation
Converts brand preference into immediate responses. High efficiency and ROI

Brand building
Builds brand preference and reduces price sensitivity. Main driver of long-term growth and profit

Source: Binet & Field, 2013

Think substance

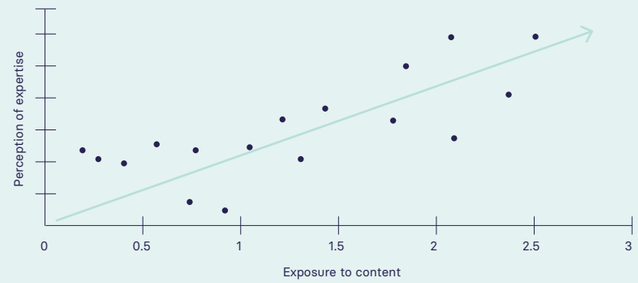
Jenni Romaniuk of the Ehrenberg-Bass Institute says that companies often focus on what is easy to measure at the expense of real substance when it comes to brand. "One of the most common health metrics reported to the board is brand awareness," she says. "But if you ask people what moves brand awareness, they often can't give you a good answer. The reason it gets reported to the board is because it's a simple metric and everyone thinks they understand it. But rather than just looking at a number and thinking it's good or bad, based on changes to the previous wave, companies need to think more about the context and unique situation of the company at that time."

Finding the right metrics to measure the impact of thought leadership on brand is difficult but not impossible. "There is no real excuse for any brand owner to say there are no metrics out there that would inform us about the long term," says Peter Field. "They are there, it's just they are not so absolute and clear-cut as the short-term metrics. The benefits of getting it right in the sense of developing powerful brands to drive long-term growth are so enormous that businesses have to engage with this."

Thought leadership portfolios need to strike a careful balance between short-term tactics and longer-term brand-building. This means recognising that some campaigns are primarily about brand-building and more 'macro' in nature while also building a portfolio of content that supports shorter-term activation, which is more 'micro' in nature.

"We don't necessarily expect thought leadership to drive immediate sales but to build a halo effect around the services we can offer and moving potential buyers from awareness to consideration," says Elena Hickey Saroli, Global Insights Leader at EY. "Or we may be at an even earlier stage and creating the awareness because the CEO or CFO we are trying to reach doesn't yet know that we can help to solve their particular problem."

The relationship between exposure to content and perception of expertise



Source: Thought Leadership Network

Using brand surveys to track thought leadership effectiveness

Isolating the impact of B2B content on brand is challenging: there are so many other factors that can influence it – from news stories to social media chat. At a more fundamental level, a common problem is that boards and leadership teams do not always understand what drives the brand: a Financial Times and IPA study finds that more than half of business leaders rate their knowledge of brand-building as average to poor.[12]

Many companies run surveys to track brand health metrics and how these are changing over time. But these are often very high level and ignore content and thought leadership, which makes it difficult to isolate the impact of content versus myriad other factors that could affect perceptions.

One solution is to ask about exposure to thought leadership content in brand surveys and see if there is a correlation between increased exposure and more positive perceptions of the brand (see chart to the left). If thought leadership is doing its job correctly, that relationship should be a straight line, with association of the brand with expertise directly tracking exposure.

"The concrete nature and ready availability of sales activation metrics can make this form of measurement and type of campaign hugely alluring for marketers. Data suggests, however, that marketing investment has now moved too far in the direction of short-termism and consequently businesses are underperforming their potential."

David Buttle
Global Marketing Director for Commercial, Financial Times

11. effworks.co.uk/five-principles-growth-b2b-marketing

12. effworks.co.uk/wp-content/uploads/2019/06/The-Board-Brand-Rift.pdf

06

Feedback should be qualitative and anecdotal – not just quantitative

For the past decade, marketing has been focusing more and more on quantitative measures and analytics. This is positive overall because it means there is more empirical evidence to demonstrate the value of thought leadership, but it can be problematic if the numbers are used without context or a narrative around what drives them. That is why marketers should turn to qualitative and anecdotal feedback to explain the quantitative data.

Meanwhile, most marketers would not get far in a conversation with finance armed with qualitative and anecdotal feedback alone. But it can be important to inform quantitative metrics and place them into context. "It gives you added value and provides deeper insight into what is driving the numbers," says Janet Hull of the IPA.

It is dangerous, however, to give too much weight to qualitative metrics – a careful balance is key. "Storytelling is very powerful, but there is a danger that the story overwhelms the substance," says the Ehrenberg-Bass Institute's Jenni Romaniuk. "People often remember a single anecdote, but we need to be aware that sometimes these are aberrations and do not provide a reliable indication of wider trends."



Qualitative: The GPS system that gets you to your destination

Elena Hickey Saroli, Global Insights Leader at EY, believes that marketers should not take quantitative data about thought leadership effectiveness at face value. "We also need to tell stories about the conversations with the target audience that are taking place to understand their impact."

She likens quantitative metrics to a GPS system that can get you to a town, but not the street or house name. "It'll get you close to your destination, but you also need the nuance of qualitative and anecdotal feedback to get the accurate information you need," she says. "A key part of measuring success revolves around hearing directly from the clients we are trying to reach. Not everything will show up in the metrics, which is why qualitative feedback on the human connection is so important."

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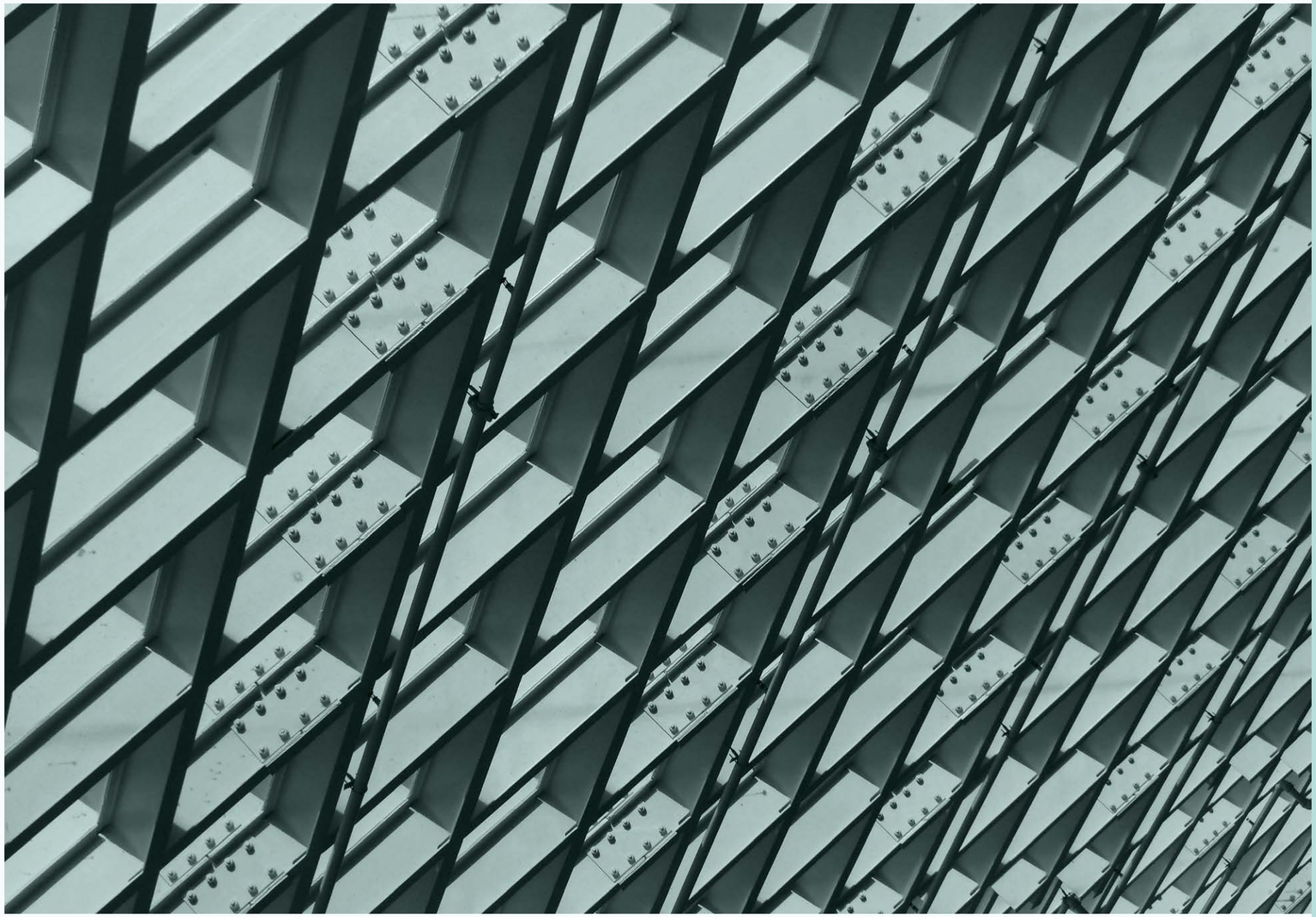
There are so many inputs that go into the sales process, from relationships to the offering. We need to have one-on-one conversations to understand the role that the thought leadership played in the sales process – how and where it was presented, at what point in the sales cycle and how strong the link is between the thought leadership and what the customer is buying."

Laura Bishop
Managing Director – Marketing and Communications, Financial Services at Accenture

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Anecdotes about how content is used can be very compelling and more real in our context than trying to come up with quantitative measures about the return on investment from a piece of content. We want to hear how it's changed the relationship or led to interest from new types of clients who perhaps wouldn't have previously considered us."

Lucia Rahilly
Global Editorial Director, McKinsey



04

Conclusion

Thought leadership is not just about ideas. As well as presenting fresh insight and adding to the conversation around your chosen themes, it has to provide commercial insight that influences clients and prospects, challenges their thinking, and changes their behaviour.

Some effects of thought leadership are immediate; others will take place over a longer timeframe – often, several years. It is vital to understand the difference between the two. There is often a temptation with marketing investment to focus on quick wins. These can be important with thought leadership but placing too much emphasis on engagement or immediate commercial benefits is selling this marketing strategy short. The longer-term benefits, although less tangible, are often much more powerful – and they will also reinforce shorter-term performance.

So measuring thought leadership effectiveness needs a thoughtful and sophisticated approach. One that combines quantitative and qualitative metrics that are collected by a number of different teams over a range of timescales.

There is no single ROI number: any attempt to boil things down in that way will be so open to challenge and interpretation that it is just not worth doing. Instead, marketers need to think about compiling multiple smaller pieces of evidence that together will demonstrate to finance and business leaders that the strategy is working.

By proving our value in this way, we will ensure that thought leadership continues to play an integral role in B2B marketing for many years to come.

About the author



Rob Mitchell is Chairman of the Thought Leadership Network as well as CEO and co-founder of Longitude, a Financial Times company and specialist thought leadership agency. For well over a decade, Rob has been helping senior marketers at global brands get more value from their B2B investments and has led hundreds of thought leadership campaigns across Longitude's 40+ clients, including Accenture, EY, PwC and Barclays. Rob was formerly Managing Editor at the Economist Intelligence Unit and directed sponsored reports and other custom projects for several years at The Financial Times.

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